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February 10, 2000

VIA OVERNIGHT DELIVERY

K. David Waddell, Executive Secretary Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, TN 37243

Re: Docket No. 99-00918; Petition of CTSI, Inc. for a Certificate of Convenience

and Necessary

Dear Mr. Waddell:

On behalf of CTSI, Inc. ("CTSI"), transmitted herewith are an original and thirteen (13) copies of a Motion for Protective Order ("Motion") in the above-referenced docket. CTSI believes that a protective order will expedite the flow of discovery material and ensure that protection is afforded to confidential material. CTSI respectfully requests that all responses designated as "Confidential" in the above-reference docket be protected under any protective order that the Authority may grant.

Concurrent with this filing, CTSI submits an original and thirteen (13) copies of its responses to Staff Information Requests dated January 28, 2000. Due to the confidential nature of responses 1 and 2, CTSI respectfully requests confidential treatment and, therefore, provides responses 1 and 2 in sealed envelopes marked "Confidential and Proprietary." If confidential treatment cannot be provided to these documents, we respectfully request that the sealed envelope not be opened and be returned to the undersigned counsel.

Please date-stamp the extra copy of this filing, and return it in the enclosed stamped self-addressed envelope. Should you have any questions with respect to this matter, please do not hesitate to contact me.

Sincerely,

Kathleen L. Greenan

cc: Mr. Mark DeFalco, CTSI, Inc. Russell M. Blau, Esq.



BEFORE THE TENNESSEE REGULATORY AUTHORITY NASHVILLE, TENNESSEE

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for a Certificate of Convenience and)	Docket No. 99-00918
Necessity to Provide Facilities-Based)	
and Resold Local Exchange and)	
Interexchange Telecommunications)	
Services Throughout the State)	
of Tennessee)	

MOTION FOR PROTECTIVE ORDER

Pursuant to Rule 26.03 (7) of the Tennessee Rules of Civil Procedure, CTSI, Inc. ("CTSI") respectfully moves the Tennessee Regulatory Authority ("Authority") for an order to protect its financial statements and projected financial statements (collectively "financial statements") and any other confidential and proprietary information that CTSI may be asked to provide in the docket for the above-referenced Petition.

The financial statements contain information that CTSI considers highly proprietary, confidential, non-public commercial information constituting trade secrets. Specifically, the information contained therein contains extremely sensitive competitive and strategic information that could be used by competitors to determine CTSI's capital deployment and market entry strategies and other information damaging to CTSI in the marketplace. CTSI has used its best efforts to keep and maintain such information secret. To the best of CTSI's knowledge, current information concerning these matters has not been disclosed or released to the public. The information requested is valuable and is used for internal planning and business purposes. Disclosure of such information would be extremely detrimental and could be used in an anti-competitive fashion by CTSI's competitors. Moreover, competitors at any level possessing such information would find it of great



economic value in determining their own business plans and, in many cases, could use such

information to structure their plans in such a way as to undercut CTSI's competitive positions, or

could otherwise materially affect CTSI's ability to compete effectively.

Due to the sensitive nature of this information, it is appropriate for the Authority to limit

access to such information. Attached is a proposed protective order ("Protective Order"), which

CTSI believes satisfies these concerns. CTSI proposes that the Authority adopt the attached

Protective Order in order to prevent unauthorized disclosure of the highly sensitive information that

it seeks.

The confidential information being provided is for the use of the Authority in exercising its

governmental functions. There is no legitimate purpose to be served in disclosing this proprietary

material to CTSI's competitors or, indeed, to any person other than the appropriate staff of the

Authority. Thus, the Protective Order would permit only the Authority and its respective staff access

to the proprietary and confidential information.

For the forgoing reasons, CTSI, Inc. respectfully moves that the Authority grant a Protective

Order including the terms set forth in the attached Exhibit.

Respectfully submitted,

By:

Kathleen L. Greenan

SWIDLER BERLIN SHEREFF FRIEDMAN, LLP

3000 K Street, N.W., Suite 300

Washington, D.C. 20007

(202) 424-7500

Dated: February 10, 2000

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BEFORE THE TENNESSEE REGULATORY AUTHORITY NASHVILLE, TENNESSEE

IN RE:

PETITION OF CTSI, INC. FOR A CERTIFICATE OF

CONVENIENCE AND NECESSITY

DOCKET NO. 99-00918

PROTECTIVE ORDER

In order to expedite the flow of discovery material, facilitate the prompt resolution of

disputes as to the confidentiality of such material, adequately protect material entitled to be kept

confidential and ensure that protection is afforded only to material so entitled, the Tennessee

Regulatory Authority ("Authority") hereby orders pursuant to Rule 26.03 of the Tennessee Rules

of Civil Procedure, that:

For the purpose of this Protective Order (the "Order"), proprietary or confidential

information, hereinafter referred to as "CONFIDENTIAL INFORMATION," shall mean documents

and information, which the producing party has designed as CONFIDENTIAL, and in whatever form

the producing party in good faith deems to contain or constitute trade secrets or other confidential

research, development, or commercial information. Producing party is defined as the party creating

the CONFIDENTIAL INFORMATION as well as the party having actual physical possession of

information produced pursuant to this Order. Additionally, all summaries, notes, extracts,

compilations or other direct or indirect reproduction from or of any protected materials, shall be

entitled to protection under this Order. Documents containing CONFIDENTIAL INFORMATION

shall be specifically marked as proprietary or confidential, or words to that effect, on the face of each

such document or, alternatively, on the portion of the document containing the CONFIDENTIAL

INFORMATION. Any document so designated shall be handled in accordance with this Order.

- 2. CONFIDENTIAL INFORMATION shall be disclosed only to the following persons:
- (a) counsel of record for the parties in this case and associates, secretaries, and paralegals actively engaged in assisting counsel of record in this and the designated related proceedings;
- (b) in-house counsel for the parties;
- (c) officers, directors, or employees of the parties who are witnesses in this docket; provided, however, that CONFIDENTIAL INFORMATION shall be shown only to those persons having a need to know;
- (d) outside consultants and expert witnesses employed or retained by the parties or their counsel, who have access to CONFIDENTIAL INFORMATION solely for evaluation, testing, testimony, preparation for trial or other services related to this docket, provided that to the extent that any party seeks to disclose CONFIDENTIAL INFORMATION to any outside consultant or expert witness who is expected to testify on that party's behalf, such party shall give five (5) days' written notice to the producing party of its intention to disclose CONFIDENTIAL INFORMATION. During such notice period, the producing party may move to prevent or limit disclosure for cause, in which case no disclosure shall be made until the Authority, an Administrative Law Judge ("ALJ") or a Court rules on the motion. Any such motion shall be filed within three (3) days after service of the notice. Any response shall be served within three (3) days after service of the motion. All service shall be by hand delivery or by facsimile.

Under no circumstances shall any CONFIDENTIAL INFORMATION be disclosed to or discussed with anyone associated with the marketing of products, goods or services in competition with the products, goods or services of the producing party.

- 3. Prior to disclosure of CONFIDENTIAL INFORMATION to any employee, officer or director of the parties, including any employee of the Authority, counsel shall provide a copy of this Order to such employee, officer, or director, who shall be bound by the terms of this Order. Prior to disclosure of CONFIDENTIAL INFORMATION to any outside consultant or expert witness employed or retained by a party, counsel shall provide a copy of this Order to such outside consultant or expert witness, who shall sign an affidavit in the form of that attached to this Order attesting that he or she has read a copy of this Order, that he or she understands and agrees to be bound by the terms of this Order, and that he or she understands that unauthorized disclosure of the documents stamped CONFIDENTIAL and/or PROPRIETARY constitutes a violation of this Order. This affidavit shall be signed in the presence of and be notarized by a notary public. Counsel of record for each party shall provide the producing party a copy of each such affidavit and shall keep the affidavits executed by the parties' experts or consultants on file at their respective offices.
- 4. If any party or non-party subject to this Order inadvertently fails to designate documents as CONFIDENTIAL in accordance with the provisions of this Order when producing such documents, such failure shall not constitute a waiver of confidentiality; provided the party or non-party who has produced the document shall notify the recipient of the document in writing within ten (10) days of discovery of such inadvertent failure to designate the document as CONFIDENTIAL. At that time, the recipient will immediately treat the subject document as CONFIDENTIAL. In no event shall the Authority be liable for any claims or damages resulting from the disclosure of a document while not so designated as CONFIDENTIAL. An inadvertent failure to designate a document as CONFIDENTIAL shall not, in any way, affect the Authority's determination as to whether the document is entitled to CONFIDENTIAL status.

- 5. Any paper filed as "CONFIDENTIAL" or containing, quoting or paraphrasing confidential information shall be maintained by the Executive Secretary in a locked filing cabinet in the sealed envelopes in which it was presented. Such envelopes and information contained therein shall not be opened, or their contents reviewed, by anyone except on order of the Authority or a court of competent jurisdiction after due notice to counsel of record. Notwithstanding the foregoing, the parties who have agreed to this Protective Order, including the Staff of the Authority, may review any confidential information filed and maintained by the Executive Secretary without obtaining an Order of the Authority, provided such parties and Staff maintain the confidentiality of the paper and/or information in accordance with the terms of this Protective Order.
- 6. Documents, information and testimony designated as CONFIDENTIAL in accordance with this Order may be disclosed in testimony at the hearing of this proceeding and offered into evidence used in any hearing related to this action, subject to the Tennessee Rules of Evidence and to such future orders as the Authority or an Administrative Law Judge may enter. Any party intending to use documents, information, or testimony designated CONFIDENTIAL shall inform the producing party and the Authority or an Administrative Law Judge, at the earliest opportunity of such proposed use; and shall advise the Authority, or an Administrative Law Judge, and the producing party before use of such information during cross-examination so that appropriate measures can be taken by the Authority or an Administrative Law Judge, and/or requested by the producing party in order to protect the confidential nature of the information.
- 7. Except for documents filed with the Authority, all documents covered by the terms of this Order that are disclosed to the requesting party shall be maintained separately in files marked

CONFIDENTIAL and labeled with reference to this Order at the offices of the requesting party's counsel of record.

- 8. Nothing herein shall be construed as preventing any party from continuing to use and disclose any information (a) that is in the public domain, or (b) that subsequently becomes part of the public domain through no act of such party, or (c) that is disclosed to it by a third party, where said disclosure does not itself violate any contractual or legal obligation, or (d) that is independently developed by a party, or (e) that is known or used by it prior to this proceeding. The burden of establishing the existence of (a) through (e) shall be upon the party attempting to use or disclose such information.
- 9. Any party may contest the designation of any document or information as CONFIDENTIAL by applying to the Authority, an Administrative Law Judge, or a court, as appropriate, for a ruling that the documents, information or testimony should not be so treated. All documents, information and testimony designated as CONFIDENTIAL, however, shall be maintained as such until the Authority, an Administrative Law Judge, or a court orders otherwise.
- 10. Nothing in this Order shall prevent any party from asserting any objection to discovery other than an objection based upon grounds of confidentiality. Nothing in this Order is intended to limit or expand the statutory authority of the Attorney General or the Consumer Advocate Division as expressed in T.C.A. 10-7-504(a) and T.C.A. 65-4-118.
- 11. Non-party witnesses shall be entitled to invoke the provisions of this Order by designating information disclosed or documents produced for use in this action as CONFIDENTIAL and by filing an appropriate motion with the Authority, in which event the provisions of this Order shall govern the disclosure of information or documents provided by the non-party witness.

- 12. No person authorized under the terms herein to receive access to documents, information, or testimony designated as CONFIDENTIAL shall be granted access until such person has complied with the requirements set forth in Paragraph 3 of this Order.
- 13. Any person to whom disclosure or inspection is made in violation of this Order shall be bound by the terms of this Order.
- 14. Upon an order becoming final in this proceeding or any appeals resulting from such an order, all documents and information designated CONFIDENTIAL and all copies thereof shall be returned to counsel for the party who produced (or originally created) them within fifteen (15) days or counsel in possession of such documents shall certify to counsel or the producing party that all such documents and that all extracts and summaries showing or referring to such documents and information and all copies thereof have been destroyed. The return or destruction of such CONFIDENTIAL DOCUMENTS shall not be required of governmental agencies which are required by law to retain their files so long as such statutory provisions protect the confidentiality of any retained CONFIDENTIAL INFORMATION.
- 15. After termination of this proceeding, the provisions of this Order relating to the secrecy and confidential nature of CONFIDENTIAL DOCUMENTS, information and testimony shall continue to be binding upon parties herein and their officers, employers, employees, agents, and/or others for five years unless this Order is vacated or modified.
- 16. Nothing herein shall prevent entry of a subsequent order, upon an appropriate showing, requiring that any documents, information or testimony designated as CONFIDENTIAL shall receive protection other than that provided herein.

ENTERED this day of February, 2000.	
	CHAIRMAN
	DIRECTOR
	DIRECTOR
	DIRECTOR
ATTEST:	
EXPONENTE CROPERADA	
EXECUTIVE SECRETARY	

BEFORE THE TENNESSEE REGULATORY AUTHORITY NASHVILLE, TENNESSEE

IN RE: PETITION OF CTSI, INC. FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

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State of Tennessee) County of)	
Comes now and says (he or she) is representing certain Confidential Information held under a Protective © 2000. The said deponent further states that a copy of the Pr deponent and having read same understands the terms and thereby. Deponent further declares that any unauthorized distance in the same understands are unauthorized distance.	and is seeking access to Order in this cause, dated, totective Order has been provided to the diprovisions thereof and shall be bound
will be treated as a violation of that Order. Executed this day of, 2	2000.
Sworn to and subscribed before me this, 2000.	
Notary Public	
My commission expires:	